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Cylchlythyr | Circular

Research Capital Funding 2015-16

Date: 3 June 2015
Reference: W15/10HE
To: Heads of higher education institutions in Wales
Response by: **30 September 2015 and 5 February 2016**
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This circular sets out details of research capital funding that will be provided in 2015-16 to qualifying institutions. There is a requirement upon all qualifying institutions to submit details of intended expenditure in 2015-16 in the required format by 30 September 2015, **but only if proposals have changed from the previous report submitted at 31 January 2015**. All qualifying institutions are required to provide a report on the use of the current or previous funding by 5 February 2016 and their intended priorities for the following year.

If you require this document in an alternative accessible format, please telephone us on (029) 2068 2225 or email info@hefcw.ac.uk.



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Introduction

1. This circular announces the allocations and distribution dates of research capital funding for 2015-16 and advises on how the expenditure of this capital will be monitored.

Background

2. The Department for Business Innovation and Skills (BIS) has confirmed that it will provide research capital funding to the four UK HE funding bodies for 2015-16. The funding will be awarded pro-rata to the average research council income received by their respective institutions, and amounts to £3,703,000 for Wales. BIS requires this funding to be matched by a similar contribution and the Welsh Government (WG) has agreed to provide this resulting in a total fund of £7,406,000. This circular sets out the allocation of this funding and the associated monitoring arrangements.
3. The basis of allocation proposed which has been reviewed by HEFCW remains unchanged from that adopted for the previous four years. The Welsh Government element of the grant will be allocated pro rata to recurrent Quality Research (QR) and other research income. In calculating the allocations we have used the most recent data available with the WG element based on 2015/16 recurrent QR grant and 2013/14 other research income. Similarly the BIS allocation has been calculated by reference to an average of the 2011/12-2013/14 Research Councils' income received.

Allocations

4. The HEFCW Corporate Strategy sets out our aspirations in relation to research namely “...to secure research of internationally excellent quality to deliver a buoyant economy and support social justice.” Reflecting on this, the Council has decided that allocations of research capital funding will again this year, as in previous years, only be made to those institutions who would be entitled to a pro-rata allocation of more than £250,000 per annum. Annex A Model 2 indicates the approved allocations. The allocations will be paid in two equal instalments on 23 July 2015, and 25 January 2016.

Monitoring arrangements

5. Under the provisions of circular [W14/21HE](#), institutions receiving research capital funding were required to complete and return a pro-forma by 31 January 2015 providing two brief case studies and identifying priorities for 2015-16 research capital, assuming a comparable level of funding. We will assume that the priorities identified at that time remain as stated unless we receive a further report using the pro-forma at Annex B by 30 September 2015. We will expect the previous report or any subsequent report to be

consistent with details provided as part of the forthcoming strategic planning information forecast circular which requires institutions to submit details of intended capital projects within their financial forecasts. This requirement will be more fully described in the relevant circular.

Use of funding

6. The funding provided can only be used as capital, and exclusively for purposes to support the development of the physical infrastructure associated with research. Research includes 'scientific research' (meaning research and development in any of the sciences including social sciences or technology (*section 6(1) of the Science and Technology Act 1965*)) and arts and humanities research. In determining the use of their allocations, institutions are encouraged to have particular regard to the research capital investment requirements of the three Grand Challenge areas identified in *Science for Wales* (life sciences and health; low carbon, energy and environment; and advanced engineering and materials).

Case study report for research capital funding 2011-2016

7. To enable HEFCW to demonstrate the value of research capital funding and to support the presentation of an effective case to WG, we need to be able to clearly demonstrate both current and future planned uses of this funding. The reporting requirement identified will provide this information and enable us to present a robust case to support future funding applications. Qualifying institutions who receive research capital allocations in 2015-16 are required to submit a minimum of two brief reports identifying the use and benefits arising, primarily from the expenditure of the 2015-16 research capital allocation but possibly in conjunction with earlier research capital allocations received in the period from 2011 onwards (see Annex C). The report should concentrate on large scale developments which have had a major impact, and if appropriate, indicate where future research capital allocations may be required to further sustain or build on the success of the project described. Where this is not appropriate we would expect to see evidence of where future research capital allocations are to be used assuming the current level of allocation is maintained in 2016-17. The report must be submitted to HEFCW by no later than 5 February 2016.

Payment arrangements

8. The allocated funding will be distributed via two payments on 23 July 2015, and 25 January 2016.

Further information / responses to

9. For further information, contact Chris Cowburn (tel 029 2068 2247; email chris.cowburn@hefcw.ac.uk).

Assessing the impact of our policies

We will be carrying out an equality impact assessment to help safeguard against discrimination and promote equality. We will also consider the impact of policies on the Welsh language, and Welsh language provision within the HE sector in Wales. Contact equality@hefcw.ac.uk for more information about EIAs.